



Congressman
John M. McHugh

U.S. HOUSE OF REPRESENTATIVES • WASHINGTON, D.C 20515 • 202-225-4611

FOR IMMEDIATE RELEASE

May 19, 1999

CONTACT: Maureen Cragin

Ryan Vaart

(202) 225-2539

**STATEMENT OF THE
HONORABLE JOHN M. McHUGH**

FULL COMMITTEE MARKUP – MWR PROVISIONS

I thank the Chairman. When I came to this committee, I soon learned that service on the MWR Panel is always interesting. We are often involved in contentious issues, but one thing is true. We never have disagreements based on partisan considerations. I've continuously been impressed that each member approaches MWR from the perspective of doing the right thing for our men and women in uniform, but not surprisingly, we sometimes come to differing conclusions. One member I almost always agree with is our ranking Democrat, Marty Meehan of Massachusetts. As always, Marty and other Panel members provided several helpful suggestions to enable us to continue to protect and enhance a seemingly fragile, but very important, benefit for our men and women in uniform. Our intent with this package of legislative and directive report language is to lay the foundation for action next year to strengthen all MWR programs.

I believe that the challenges we are seeing in the MWR world reflect what is happening within the Department of Defense at large. Compelling budget pressures have forced the Department to relentlessly ferret out funding wherever it can be found. Unfortunately, the comptroller's ferrets have gnawed away at MWR programs with more than a little enthusiasm. We have seen the symptoms in the commissary funding scheme, in the anemic levels of funding provided for MWR by some services, by cuts to library programs, and by over reaching base privatization initiatives.

All of us here today serve on this committee because we care about the defense of our nation and the men and women who serve in uniform. My report to you as chairman of the MWR Panel is that the budget shortfalls in our programs are just as real as those found elsewhere in the budget request. We may disagree about what missions our military should be used for, but we all agree that our troops deserve high quality, fully funded MWR programs.

The resale system remains our biggest challenge. We need to find a way to fund and operate commissaries more efficiently. We may need to change the product mix in the commissaries to make them more competitive and fiscally sound enterprises. If the exchanges are to be continuously providing great service to our deployed forces, we may need to expand their customer base. This mark puts the Department on notice that the MWR Panel understands that action must be taken, and we will be ready to make those changes in the 106th Congress that will sustain the commissary and exchange benefit well into the future.

As I stated in our previous markup, the Panel does not believe that DOD's plan to return funding of the Defense Commissary Agency to the military services was well conceived. Once again, the Department

(More)

attempted to fund the commissaries through the already strained service operations and maintenance budgets. The Panel included a legislative provision that would transfer commissary funding from the military services to the Secretary of Defense. I suggest that the Department listen to the Congress and fund commissaries appropriately next year.

We know that change is coming. The results of a year long exchange integration study will be reported out soon. Sales are flat in commissaries and exchanges, and facilities are aging. We are not prepared to offer a blueprint for change this year. Rather, we look to the Department to be a responsible part of the process as we collectively decide on the right approach to sustaining the resale benefit for troops, their families, and retirees. To my great disappointment, DOD's approach this past year has been to save money wherever possible, without much regard paid to the strength of the benefit. As we have discussed over the past two years, it's fine to keep a close eye on where the money goes, but we shouldn't make policy determinations based solely on financial considerations.

Overall, I am pleased to offer this mark to our colleagues. I believe the provisions we have crafted go a long way towards accomplishing our objective of protecting and enhancing the resale benefit, and in providing for the continued quality of life for servicemembers of all ranks, wherever they may be serving.

###